

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

Annual Financial Statements

As of and for the Year Ended
December 31, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date APR 18 2012

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

Annual Financial Statements

As of and for the Year Ended December 31, 2011

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EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana
Annual Financial Statements
As of and for the Year Ended December 31, 2011

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M. Carleen Dumas
CERTIFIED PUBLIC ACCOUNTANT

369 DONALDSON ROAD • CALHOUN, LOUISIANA 71225 • TELEPHONE 318/644-5726

Accountant's Compilation Report

BOARD OF COMMISSIONERS
EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

I have compiled the accompanying financial statements of the governmental activities and major fund of East Columbia Fire District (the "District") as of and for the year ended December 31, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

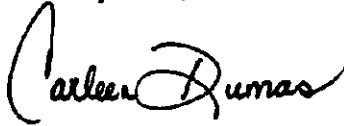
The management of the District is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management of the District in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements

The budgetary comparison information on page 17, is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. The status of prior year findings and current year findings and corrective action plan on pages 20 and 21, are not a required part of the basic financial statements but are supplementary information required by the Louisiana Governmental Audit Guide. I have compiled the supplementary information from information that is the representation of management, without audit or review. Accordingly, I do not express an opinion or provide any assurance on the supplementary information.

BOARD OF COMMISSIONERS
EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

Management has not presented the Management's Discussion and Analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

A handwritten signature in black ink, appearing to read "Carter Dumas". The signature is written in a cursive, flowing style.

Calhoun, Louisiana
March 13, 2012

BASIC FINANCIAL STATEMENTS

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

STATEMENT OF NET ASSETS
December 31, 2011

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash	\$19,484
Investments	58,282
Receivables:	
Sales tax	262
Charges for services	652
Capital assets, net	<u>36,256</u>
TOTAL ASSETS	<u>114,936</u>
LIABILITIES	
Accounts and payroll taxes payable	<u>442</u>
NET ASSETS	
Invested in capital assets	36,256
Unrestricted	<u>78,238</u>
TOTAL NET ASSETS	<u><u>\$114,494</u></u>

See accompanying notes and accountant's compilation report

Statement B**EAST COLUMBIA FIRE DISTRICT**
Columbia, Louisiana**STATEMENT OF ACTIVITIES**
For the Year Ended December 31, 2011

	<u>GOVERNMENTAL ACTIVITIES</u>
Expenses:	
Public safety - fire protection	\$15,544
Program revenues:	
Charges for services	<u>8,702</u>
Net program expense	<u>(6,842)</u>
General revenues:	
Sales taxes	5,084
State fire insurance rebate	3,459
Interest earnings	<u>666</u>
Total general revenues	<u>9,209</u>
Change in net assets	2,367
Net assets - beginning	<u>112,127</u>
Net assets - ending	<u><u>\$114,494</u></u>

See accompanying notes and accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

BALANCE SHEET - GOVERNMENTAL FUND
December 31, 2011

	<u>GENERAL FUND</u>
ASSETS	
Cash	\$19,484
Investments	58,282
Receivables:	
Sales tax	262
Charges for services	<u>652</u>
TOTAL ASSETS	<u><u>\$78,680</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities - accounts and payroll taxes payable	\$442
Fund balance - unassigned	<u>78,238</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$78,680</u></u>
Reconciliation of the Balance Sheet of Governmental Fund To the Statement of Net Assets:	
Fund balance - unassigned - General Fund	\$78,238
Amount reported for net assets of governmental activities in the Statement of Net Assets (Statement A) is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund	<u>36,256</u>
Net assets of governmental activities (Statement A)	<u><u>\$114,494</u></u>

See accompanying notes and accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, LouisianaSTATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND
For the Year Ended December 31, 2011

	<u>GENERAL FUND</u>
REVENUES	
Sales taxes	\$5,084
Intergovernmental revenues -	
State - fire insurance rebate	3,459
Charges for services	8,702
Interest earnings	666
Total revenues	<u>17,911</u>
EXPENDITURES	
Public safety - fire protection:	
Current:	
Personal services and related benefits	2,860
Operating services	4,792
Materials and supplies	2,076
Total expenditures	<u>9,728</u>
NET CHANGE IN FUND BALANCE	8,183
FUND BALANCE AT BEGINNING OF YEAR	<u>70,055</u>
FUND BALANCE AT END OF YEAR	<u><u>\$78,238</u></u>

(Continued)

See accompanying notes and accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND (Contd.)
For the Year Ended December 31, 2011

GENERAL
FUND

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of Governmental Fund to
the Statement of Activities:**

Net change in fund balance - General Fund	\$8,183
Amount reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.	<u>(5,816)</u>
Change in net assets of governmental activities (Statement B)	<u><u>\$2,367</u></u>

(Concluded)

See accompanying notes and accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2011

INTRODUCTION

The East Columbia Fire District was created by the Caldwell Parish Police Jury, as authorized by Louisiana Revised Statute 40:1492. The district is governed by a five member board appointed by the police jury. Board members serve without benefit of compensation. The district is responsible for providing fire protection within the boundaries of the district. The district has one part-time employee.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the East Columbia Fire District is considered a component unit of the Caldwell Parish Police Jury. As a component unit, the accompanying financial statements maybe included within the reporting of the primary government, either blended into those financial statements or separately reported as a discrete component unit.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the East Columbia Fire District.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. All individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements. The East Columbia Fire District has only one governmental fund.

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Notes to the Financial Statements

**B. Measurement Focus, Basis of Accounting, and
Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Sales taxes and charges for services associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the district.

The East Columbia Fire District reports the following governmental fund:

General Fund

The General fund is the general operating fund of the district and accounts for all financial resources.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

C. Deposits and Investments

Cash includes amounts in interest-bearing demand deposits. State law allows the district to invest in collateralized certificates of deposits, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At December 31, 2011, the district's investments consist

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Notes to the Financial Statements

of nonnegotiable certificates of deposits with original maturities that exceed 90 days that are reported in the accompanying financial statements at cost.

D. Receivables

The district receives a pro-rata share of a one-fourth of one percent parishwide (excluding the Town of Columbia) sales tax approved by the voters in Caldwell Parish on October 19, 1985 for fire protection in the parish. The sales tax is collected by the police jury and remitted to the district net of its pro-rata share of the cost of collection.

These statements contain no provision for uncollectible accounts. The district is of the opinion that such an allowance would be immaterial in relation to the financial statements taken as a whole.

E. Capital Assets

Capital assets, which consist of vehicles and equipment are reported in the governmental activities column in the government-wide financial statements. All of the district's capital assets are capitalized at historical cost. The East Columbia Fire District maintains a threshold level of \$1,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

All capital assets are depreciated using the straight-line method over the following useful lives:

	Estimated Lives
Vehicles	15 years
Buildings and Equipment	10 - 25 years

F. Net Assets/Fund Balance

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or
2. imposed by law through constitutional provisions or enabling legislation.

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Notes to the Financial Statements

constraints on the specific purposes for which funds can be spent. Fund balance should be reported as restricted when constraints on the use of the funds meet the same criteria as restricted net assets in the government-wide statement of net assets as noted in the previous paragraph. Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the board of commissioners are reported as committed fund balance. Assigned fund balance are amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The board of commissioners is authorized to assign amounts to a specific purpose. Unassigned fund balance is the residual classification and represents fund balance that has not been restricted, committed, or assigned to a specific purpose.

At December 31, 2011, the District's had only unassigned fund balance in the General Fund.

G. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, disclosures, and revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**2. STEWARDSHIP, COMPLIANCE, AND
ACCOUNTABILITY**

Budget Information

The East Columbia Fire District uses the following budget practices:

A proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is formally adopted by the board of commissioners at the December board meeting each year. The budget is established and controlled by the board at the object level of expenditure.

Appropriations lapse at year-end and must be reappropriated for the following year to be expended. Encumbrance accounting is not used by the district. All changes in the budget must be approved by the board of commissioners.

Budgeted amounts included in the accompanying financial statements are the original adopted budget amounts. There were no budget amendments.

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Notes to the Financial Statements

3. DEPOSITS IN FINANCIAL INSTITUTIONS

At December 31, 2011, the district has cash and investments as follows:

Demand deposit	\$19,484
Certificates of deposit	<u>58,282</u>
Total	<u>\$77,766</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. Cash and investments (bank balances) at December 31, 2011, are fully secured from risk by federal deposit insurance.

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2011, is as follows:

	Balance at January 1, 2011	Increases	Decreases	Balance at December 31, 2011
Governmental activities:				
Capital assets being depreciated:				
Vehicles	\$80,000			\$80,000
Buildings and equipment	<u>9,529</u>			<u>9,529</u>
Total capital assets being depreciated	<u>89,529</u>	NONE	NONE	<u>89,529</u>
Less accumulated depreciation for:				
Vehicles	46,221	5,333		51,554
Buildings and equipment	<u>1,236</u>	<u>483</u>		<u>1,719</u>
Total accumulated depreciation	<u>47,457</u>	<u>5,816</u>	NONE	<u>53,273</u>
Total assets being depreciated, net	<u>\$42,072</u>	<u>(\$5,816)</u>	<u>NONE</u>	<u>\$36,256</u>

Depreciation expense of \$5,816 for the year ended December 31, 2011 was charged to the public safety - fire protection governmental function.

See accountant's compilation report.

REQUIRED SUPPLEMENTAL INFORMATION

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND

For the Year Ended December 31, 2011

	BudgetedAmounts.....		Actual Amounts (Budgetary Basis - GAAP)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales taxes	\$5,800	\$5,800	\$5,084	(\$716)
Intergovernmental revenues -				
State fire insurance rebate	3,300	3,300	3,459	159
Charges for services	8,700	8,700	8,702	2
Interest earnings	1,000	1,000	666	(334)
Total revenues	<u>18,800</u>	<u>18,800</u>	<u>17,911</u>	<u>(889)</u>
EXPENDITURES				
Public safety - fire protection:				
Personal services and related benefits	2,900	2,900	2,860	40
Operating services	5,700	5,700	4,792	908
Materials and supplies	12,000	12,000	2,076	9,924
Travel and other charges	500	500		500
Total expenditures	<u>21,100</u>	<u>21,100</u>	<u>9,728</u>	<u>11,372</u>
NET CHANGE IN FUND BALANCE	(2,300)	(2,300)	8,183	10,483
FUND BALANCE AT BEGINNING OF YEAR	<u>70,055</u>	<u>70,055</u>	<u>70,055</u>	
FUND BALANCE AT END OF YEAR	<u>\$67,755</u>	<u>\$67,755</u>	<u>\$78,238</u>	<u>\$10,483</u>

There were no budget amendments during the year ended December 31, 2011.

See accountant's compilation report.

OTHER SUPPLEMENTAL INFORMATION SCHEDULES

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

OTHER SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended December 31, 2011

STATUS OF PRIOR YEAR FINDINGS

The follow-up and corrective action taken on all prior year findings is presented in Schedule 2.

**CURRENT YEAR FINDINGS AND
CORRECTIVE ACTION PLAN**

The corrective action plan for current year findings is presented in Schedule 3.

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, LouisianaSTATUS OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2011

<u>Reference Number</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Planned Corrective Action</u>
N/A	2006	Actual expenditures exceeded budgeted expenditures by \$5,087 or 38%.	Yes	N/A

See accountant's compilation report.

EAST COLUMBIA FIRE DISTRICT
Columbia, LouisianaCURRENT YEAR FINDINGS AND
CORRECTIVE ACTION PLAN
For the Year Ended December 31, 2011

<u>Reference Number</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
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There were no current year findings.

See accountant's compilation report.

AFFIDAVIT AND REVENUE CERTIFICATION

EAST COLUMBIA FIRE DISTRICT
Caldwell Parish
Columbia, Louisiana

ANNUAL SWORN FINANCIAL STATEMENTS AND CERTIFICATION OF REVENUES \$50,000 OR LESS

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Legislative Auditor within 90 days after the close of the fiscal year. The certification of revenues \$50,000 or less, if applicable, is required by Louisiana Revised Statute 24:513(I)(1)(c)(i).

Personally came and appeared before the undersigned authority, Marva Lee Gregory, who, duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the East Columbia Fire District as of December 31, 2011, and the results of operations for the year then ended, in accordance with basis of accounting described within the accompanying financial statements.

In addition, Marva Lee Gregory, who, duly sworn, deposes and says that the East Columbia Fire District received \$50,000 or less in revenues and other sources for the year ended December 31, 2011 and accordingly, is not required to have an audit for the previously mentioned year.

Marva Lee Gregory
Signature

Sworn to and subscribed before me, this 9 day of April, 2012.

Brenda Murphy
NOTARY PUBLIC

Brenda Murphy
Deputy Clerk of Court
And Ex-Officio Notary
Notary Number: 72310

Officer: Marva L. Gregory, Secretary
Address: Post Office Box 637
Columbia, Louisiana 71418
Telephone: (318) 649-2788

THIS DOCUMENT WAS NOT PREPARED
BY ME: NOTARY PUBLIC BUT WAS
PRESENTED TO ME TO BE NOTARIZED
AT THE TIME OF SIGNING.